AN ORDINANCE BY Chair of the Council MEMBER FELICIA MOORE

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AN ORDINANCE TO REQUIRE NOTICE IN CITY CONTRACTS REGARDING THE REQUIREMENT FOR LEGISLATIVE AUTHORIZATION IN ADVANCE OF RENDERING SERVICES OR DEMAND FOR PAYMENT, AND FOR OTHER PURPOSES.

KWANZA HALL

WHEREAS, the Atlanta City Council has been informed of various instances in which goods or services have been rendered to the City in excess of the scope of legislative authorization; and

WHEREAS, the effect of unauthorized contracts is, among other things, to undermine the Chief Financial Officer's ability to accurately ascertain the City's debt and to maintain the City budget; and

WHEREAS, the City's contracts establish the City's best and longest-lasting communication with vendors about the City's business processes; and

WHEREAS, Section 2-1291 of the City of Atlanta Procurement and Real Estate Code provides for the inclusion of certain clause in City contracts.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

<u>Section 1</u>. That Section 2-1291 of the City of Atlanta Procurement and Real Estate Code be amended to read as follows:

Sec. 2-1291. Responsibilities and rights of parties to contract.

All city contracts for supplies, services, construction and professional and consultant services shall include provisions necessary to define the responsibilities and rights of the parties to the contract. The chief procurement officer, after consultation with the city attorney, may issue such appropriate clauses, addressing at least the following subjects:

- (1) The unilateral right of the city to order in writing changes in work or services within the general scope of the contract;
- (2) The unilateral right of the city to order in writing a temporary suspension of the work or services or delaying performance that does not alter the scope of the contract;

- (3) Variations occurring between estimated quantities of work or services in a contract and actual quantities;
- (4) Defective pricing;
- (5) Liquidated damages;
- (6) Specified excuses for delay or nonperformance;
- (7) Termination of the contract for default;
- (8) Termination of the contract in whole or in part for the convenience of the city;
- (9) Site conditions differing from those indicated in the contract, or ordinarily encountered, except that a differing site conditions clause need not be included in a contract when:
 - a. The contract is negotiated;
 - b. The contractor provides the site or design; or
 - c. The parties have otherwise agreed with respect to the risk of differing site conditions; and
- (10) An acknowledgement by each contractor to the following effect should be included in each contract:

"Contractor acknowledges that this contract may require authorization by the Atlanta City Council and that failure to obtain such authorization shall not result in liability to the City. Contractor further acknowledges that if it provides goods or services to the City which have not been properly authorized by the Atlanta City Council, the City does not assure payment for the goods or services provided and all risk of non-payment, in that event, shall be born by the Contractor."

<u>Section 2</u>. That all ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed only to the extent of such conflict.